





Defining the Pathway to the California Smart Grid

Terry Mohn, Technology Strategist, SDG&E

Vice Chairman, GridWise Alliance





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Drivers for a Smart Grid



- Environment
 - Green House Gas
 - Foreign Oil Dependence



- Congress
 - EPACT 2005
 - EISA 2007



Drivers for a Smart Grid



GridWise Alliance

GridWise vision is new way to think about how we generate, distribute and use energy - using advanced communications and up-to-date information technology, GridWise will improve coordination between supply and demand, and enable a smarter, more efficient, secure and reliable electric power system.

GridWise Architecture

Assemble ideas & resources to ensure interoperability

Leverage the GridWise interoperability framework as an organizing platform

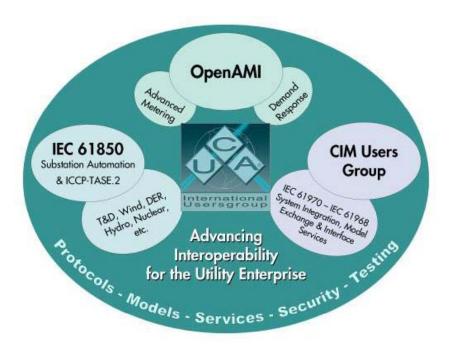


Drivers for a Smart Grid



- OpenAMI
- S OpenAMI
- 200+ members
- UtilityAMI
- OpenHAN
- OpenSEC





- Open AMI is a User Community affiliated with the UCA International Users Group, a non-profit organization whose members are utilities, vendors, and users of communications for utility automation.
- OpenAMI is represented by a Technical Subcommittee focused on OpenAMI issues, working in coordination with the UCAIUG Technical Subcommittees representing the IEC61850 and CIM users communities.
- The UCAIUG's UtilityAMI User Community provides the "High-Level Advanced Metering Infrastructure and Demand Response System Requirements Input & Oversight" to the OpenAMI Task Force.



Smart Grid Stakeholders





Government Federal

- State
- Local



Utilities • IOU's

- Publics
- RTO / ISO
- Power marketers

Others

- Financial Firms
- R&D Organizations

- EPRI

Policy &

• FERC

• PUC's

• NERC

• NARUC

Regulation

- Technology
- Services

Advocacy

- EEI
- Rate Payer Groups
- Environmental Groups

Utility Consumers

- Industrial
- Commercial
- Residential









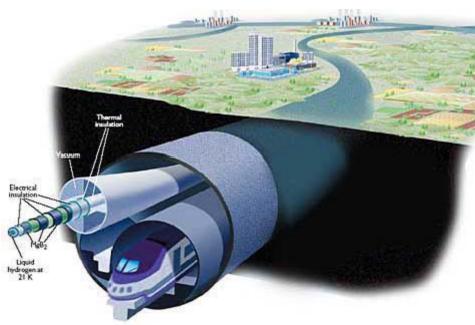






Pathway to the Future





- 1. Smart Meters
- 2. IT + Operations Marriage
- 3. Business as usual

- Demand Response
- Energy Efficiency
- Renewables
- Smart Generation
- Smart Grid





A smart, integrated grid

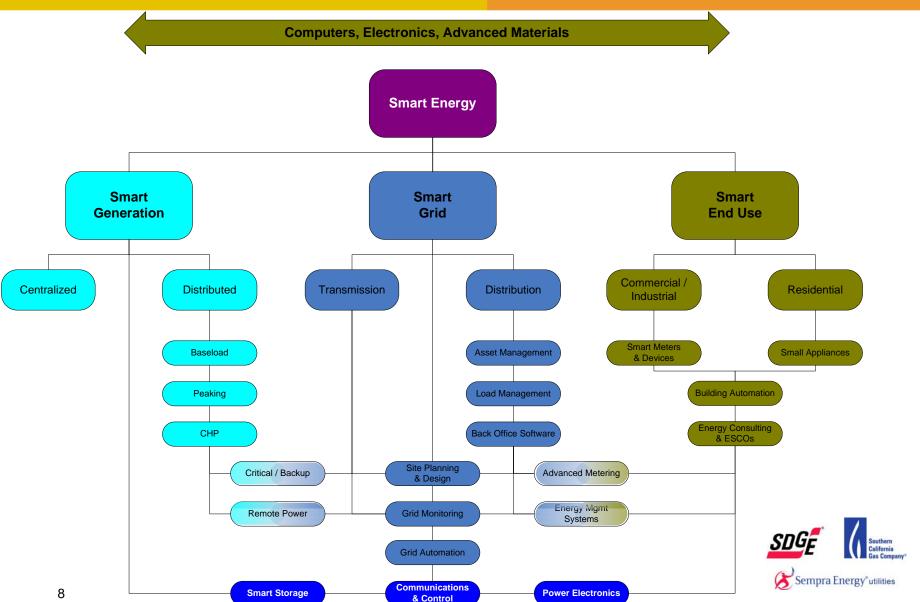


- Detects and fixes emerging problems
- Incorporates measurement, diagnostics and feedback
- Re-routes power flows
- Enables loads and distributed resources
- Incorporate advances in IT and communication technologies



Elements of a Smart Grid





Systems View



- The "Systems View" perspective takes a holistic and objective approach to a subject, including technical, economic, regulatory, political, and societal aspects.
- It includes the complete recognition of the power system as one integrated machine having many interdependent parts.
- It recognizes that solutions can come from a wide and diverse range of sources.
- A "Systems View" also takes account of the full range of costs and benefits to society associated with the provision of reliable power.



SDG&E Smart Grid Drivers / Challenges



- Aging Infrastructure
- Maturing Workforce
- Help Achieve / Integrate policy goals
 - Energy Action Plan Loading Order
 - Empower Consumers
- Potential Challenges
 - Cost
 - Complexity
 - Technology Advances



SDG&E Vision



- Electric grid evolves to incorporate advances in many areas
- Ubiquitous communications
- New operational technologies
- New information technologies



SDG&E Smart Grid Major Initiatives



- Advanced metering infrastructure
- Technologies improve operations
- Distribution automation
- Distributed generation with storage
- DOE and CEC funded Smart Grid Research

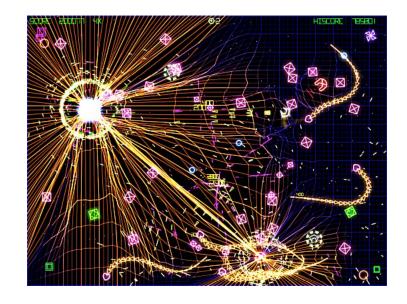




Technology Research Gaps



- Advanced grid technologies
- Latest generation communication technologies
- State of the art grid state estimation
- State of the art operator visualization
- Advanced grid operations through devices, agents, controls, and distributed energy resources









Summarize CEC PIER Recommendations



- Alignment of Smart Grid Vision: federal, state and industry
- Follow-through on foundational initiatives
- Roadmap for the future
 - Coordinate proceedings
 - Guidance to industry
 - RD&D for new technologies currently not cost effective
- Follow a top-down "systems" approach
- Ensure the use of standards for interoperability (e.g. Internet Protocol)
- Consider data privacy, confidentiality, possible NERC CIP
- Respect a need for broad stakeholder data interoperability
- Develop the next generation of DER, distributed monitoring and automation technologies
- Create regional projects
 - Include utility consumers
 - Evaluate storage technologies





